

MULTIMEDIA



UNIVERSITY

STUDENT IDENTIFICATION NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2017/2018

BBL2614 – BUSINESS LAW

(All sections / Groups)

4 June 2018

9.00 a.m – 12.00 p.m

(3 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of 3 pages with 4 Questions only.
2. Attempt ALL **FOUR** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

- (a) All agreements are contracts if they are made by the free consent of the parties.

Discuss the factors which can vitiate the free consent of the parties under the Contracts Act 1950.

(15 Marks)

- (b) Avicii has a company specialising in renovation for offices. Armin who will open a new office asks Avicii to do a renovation work for his new office. Armin offers Avicii to renovate the office and complete it by the end of May 2018 for RM10,000. On 25th May 2018, Armin visits the new office and finds that there are still a lot of works to be completed. Armin says if Avicii can complete the job as agreed between them, he will pay him an extra RM1,000. Because of the promise that Armin gave to Avicii, Avicii is highly motivated and manages to complete the renovation by the end of May 2018. Now Avicii asks for the original fee as agreed between them and the additional sum of RM1,000 as promised by Armin. Armin refuses to pay the additional sum to Avicii. Discuss.

(10 Marks)

(Total: 25 marks)

QUESTION 2

- (a) Discuss the rule of *Nemo Dat Quod Non Habet* and critically examine the SIX (6) exceptions to this rule under the Sale of Goods Act 1957. Support your answer with the relevant statutory provisions and case law.

(15 Marks)

- (b) Emma bought a woollen T-shirt sold by Forever 18 Sdn. Bhd. in Cyberjaya. The day after wearing the T-shirt, she suffered rashes all over her body and had to be hospitalised for a week.

Discuss whether Emma can successfully sue Forever 18 Sdn. Bhd.

(10 Marks)

(Total: 25 marks)

Continued...

QUESTION 3

- (a) Discuss **FIVE** (5) differences between guarantee and indemnity. (15 Marks)
- (b) Rajesh appointed Zaidi to purchase 10 tonnes of soybeans at the price of RM1 500.00 per tonne. Zaidi knows few sellers who are willing to sell soybeans for RM1 500.00 per tonne. However, it comes to the knowledge of Zaidi that there is a seller, Helmi, in Johor who sells a better quality of soybeans for RM1 550.00 per tonne. Without informing Rajesh, Zaidi, as an agent of Rajesh, entered into an agreement with Helmi to purchase 10 tonnes of soybeans for RM1 550.00 per tonne. He was honestly believed that Rajesh could make a greater profit by supplying a better quality of soybeans to other companies at a higher price. Rajesh however, refused to take delivery of the soybeans.

In the context of law of agency, advise Rajesh.

(10 Marks)

(Total: 25 marks)

QUESTION 4

- (a) Section 9 to 15 of the Hire-Purchase Act 1967 provides for the rights of the hirers.

Discuss **FIVE** (5) statutory rights of the hirer.

(15 Marks)

Continued...

- (b) D'Raya Sdn. Bhd. has purchased a 5 years renewable Key Person Insurance Life Policy for CEO of the Company with Allied Insurance Sdn. Bhd. According to the policy, the CEO must not be a smoker. Due to stress of his loads of work and his family problems, the CEO then started smoking.

One day, the CEO collapsed in his office and he was admitted to the hospital. Four hours later, he passed away. D'Raya Sdn. Bhd. made a claim to the Allied Insurance Sdn. Bhd. under Key Person Insurance Life Policy for insurance payoff. Unfortunately, Allied Insurance Sdn. Bhd. rejected the application.

Advise D'Raya Sdn. Bhd.

(10 Marks)

(Total: 25 marks)

End of Paper

